

---

## EVALUATOR MANUAL TRANSMITTAL SHEET

---

**Distribution:**

☐ All Child Care Evaluator Manual Holders  
☐ All Residential Care Evaluator Manual Holders  
☒ All Evaluator Manual Holders

**Transmittal No.****11 RM-06****Date Issued**

August 2011

**Subject:**

Continuing Care Retirement Communities (CCRC) Protocols

**Reason for Change:**

Update Table of Contents (Page 3) - Application, Section 3-0966 and add 3-0968

**Filing Instructions:**

REMOVE – Pages 3, 146 and 147

INSERT – Pages 3, 146 through 157

**Approved:**

***ORIGINAL DOCUMENT SIGNED BY***  
***Thomas Stahl, Chief***

***August 30, 2011***

---

**THOMAS STAHL, Chief**  
Policy Development Bureau  
Community Care Licensing Division

---

---

Date

---

Contact Person: Seton Bunker

Phone Number: (916) 651-3495

---

## TABLE OF CONTENTS (Continued)

COMPONENT III (Category Specific Orientation/Training).....	3-0400
I. Opening the Session.....	3-0450
II. General Licensing Requirements .....	3-0460
III. Continuing Requirements .....	3-0470
IV. Physical Environment .....	3-0480
V. Category Specific Regulations .....	3-0500
VI. Residential Care Facility for the Elderly.....	3-0510
VII. Child Care Centers .....	3-0550
VIII. Infant Centers .....	3-0560
IX. School-Age Centers .....	3-0570
X. Child Care Centers for Mildly Ill Children .....	3-0580
XI. Group Homes .....	3-0600
XII. Adult Residential Care Facilities .....	3-0650
XIII. Small Family Homes.....	3-0700
XIV. Adult Day Programs.....	3-0800
XV. Adult Day Support Center (Repealed 12/07) .....	3-0850
XVI. Other Areas to be Covered.....	3-0900
XVII. Component III Handouts .....	3-0950
RCFE FACILITIES WITH CONTINUING CARE.....	3-0960
I. General Statement .....	3-0961
II. Continuing Care Contracts Branch .....	3-0962
III. Preliminary Approval.....	3-0963
IV. Processing RCFE Applications .....	3-0964
V. Issuance/Denial of RCFE License .....	3-0965
VI. Facility Evaluations/Annual Visits .....	3-0966
VII. Complaints, Non-Compliance and Adverse Actions .....	3-0967
VIII. Processing Continuing Care Retirement Communities Expansions Off of the Licensed Property .....	3-0968

## 3-0966 FACILITY EVALUATIONS/ANNUAL VISITS

3-0966

The most important thing to remember when evaluating this type of residential care facility for the elderly is that all areas of the Continuing Care Retirement Community are usually licensed as either a Residential Care Facility for the Elderly or a skilled nursing facility. When a continuing care contract is involved, the residential living units are also licensed so that care can be legally provided to the residents in those units.

Many providers refer to their independent living units as “residential” living units as defined in the statutes. Residents may be housed in apartments, condominium units, cottages, villas, or houses that look like a subdivision, and may, in fact, even hold property title to their living units. However, all units must obtain the appropriate fire clearance and be licensed under the Residential Care Facilities for the Elderly license. These units should be included in the sample of those inspected by Regional Office staff when conducting facility inspections, annual visits, focused visits or complaint investigations. Ensure that these residents have been assessed at the proper level of care and are receiving services appropriate to their needs and functional status.

Continuing care contracts fulfill the Residential Care Facility for the Elderly admission agreement requirements in Continuing Care Retirement Communities. The Continuing Care Contracts Branch is responsible for reviewing continuing care contracts for compliance with Continuing Care Contract statutes. However, Continuing Care Retirement Communities may accept both continuing care residents under a continuing care contract as well as month-to-month residents. For those residents not under continuing care contracts, the admission agreement is reviewed by the Regional Office just as in any other Residential Care Facility for the Elderly. All other aspects of facility inspections should be conducted as outlined in Residential Care Facilities for the Elderly Regulations and Evaluator Manual.

### **Residential Care Facility for the Elderly and the Continuing Care Retirement Community Residential Living Inspections**

#### **Introduction**

The purpose of this section is to provide guidelines to Licensing Program Analysts, who evaluate Residential Care Facilities for the Elderly and Residential Living Units that are part of Continuing Care Retirement Communities.

A Continuing Care Retirement Community facility typically includes residential living, assisted living and skilled nursing care services. The skilled nursing care unit(s)/section(s) is licensed and regulated by the California Department of Public Health, Licensing and Certification. The Residential Care Facility for the Elderly and Residential Living Units are regulated and licensed by the California Department of Social Services Community Care Licensing Division.

**3-0966 FACILITY EVALUATIONS/ANNUAL VISITS (Continued)****3-0966**

Within the California Department of Social Services, regulatory responsibility for the Residential Care Facility for the Elderly and Residential Living Units are shared by the Continuing Care Contracts Branch and the Senior Care Program. The Continuing Care Contracts Branch approves contracts, evaluates transactions, protects certain resident rights, assures proper disclosures are made to residents and prospective resident consumers and evaluates the financial feasibility of existing and proposed communities and issues a Certificate of Authority that authorizes the provider/licensee to enter into continuing care contracts with residents. In general, a Continuing Care Retirement Community must first be licensed as a Residential Care Facility for the Elderly before a Certificate of Authority can be issued to the operator. The Senior Care Program inspects and investigates complaints involving the Residential Care Facility for the Elderly and Residential Living Units to ensure compliance with Residential Care Facility for the Elderly laws and regulations. This shared authority requires close collaboration between the Continuing Care Contracts Branch and Senior Care Program.

*Note: Continuing Care Contracts statutes can be found in Health and Safety (H&S) Code, Chapter 10, Division 2, section 1770 through section 1793.91. Residential Care Facilities for the Elderly statutes can be found in H&S Code section 1569 through section 1569.889. California Code of Regulations, Title 22, Division 6, Chapter 8 apply to all Continuing Care Retirement Community residential living units, unless otherwise addressed in the above referenced Health and Safety Code sections.*

**Description of a Continuing Care Retirement Community**

The benefits and services provisions for residents in a Continuing Care Retirement Community are established by contract. A continuing care contract is a contract that includes a promise to provide care in exchange for a payment, usually an entrance fee. The promise must have a term of more than 12 months but is usually for the life of the resident.

A continuing care provider (licensee) must apply for and obtain a Certificate of Authority from the Continuing Care Contracts Branch prior to entering into continuing care contracts with residents. The Continuing Care Contracts Branch reviews each application for marketing, economic, and financial feasibility to assess the licensee's ability to meet future contractual obligations with residents. It also reviews continuing care contracts for compliance with the statutes governing Continuing Care Retirement Communities.

Generally a Continuing Care Retirement Community is comprised of three primary components:

- Residential Living Units (Independent Living);
- Residential Care Facility for the Elderly (Assisted Living); and a
- Skilled Nursing Facility

**3-0966 FACILITY EVALUATIONS/ANNUAL VISITS (Continued)****3-0966**

Residential Living Units are living units that typically house residents who need little or no care and supervision, but may also include assisted living or skilled nursing care. Residential Living Units may be apartments, condominiums or town homes, cottages or even houses in a subdivision-like setting. Generally, all such units are licensed Residential Care Facility for the Elderly and require appropriate fire clearance approval.

It should be noted that, at a typical Continuing Care Retirement Community, the majority of the population occupy Residential Living Units. While residents moving into a Continuing Care Retirement Community are generally independent, healthy individuals who do not require or desire monitoring and supervision, the Residential Care Facility for the Elderly and Residential Living Units (that are part of the Continuing Care Retirement Community facility) must be licensed so that the licensee can furnish certain assisted living services in those units as necessary. This structure is intended to afford Continuing Care Retirement Community residents with increased care services as they become necessary.

**Coordination with the Continuing Care Contracts Branch**

The oversight of Continuing Care Retirement Communities is unique in that the regulatory responsibilities are shared by two components of the Community Care Licensing Division. The Senior Care Program field staff and Continuing Care Contracts Branch both make regulatory visits to Continuing Care Retirement Communities. While Senior Care Program field staff conduct physical inspections and issue citations for non-compliance, the Continuing Care Contracts Branch conducts administrative visits to augment its financial assessments. The Continuing Care Contracts Branch considers things such as the condition of the facility and whether the provider is performing the services it has specified in its continuing care contracts, as well as ensuring the required disclosures are being made to the residents and prospective residents. The respective requirements of the Senior Care Program field operations and Continuing Care Contracts Branch are interrelated so it is important that the two Community Care Licensing Division program components share their findings.

It is important that the Continuing Care Contracts Branch staff and Senior Care Program field staff work collaboratively whenever certain issues arise concerning a Continuing Care Retirement Community. The Continuing Care Contracts Branch staff and Program field staff should contact each other each when any of the following occurs:

- A new Continuing Care Retirement Community applies for a Residential Care Facility for the Elderly license and Certificate of Authority.

**3-0966 FACILITY EVALUATIONS/ANNUAL VISITS (Continued)****3-0966**

- A Continuing Care Retirement Community makes a change in its name, its business structure or form of doing business, or the overall management of the Continuing Care Retirement Community.
- A Community Care Retirement Community alters its organization, including changing the type of entity it is, separation from another entity, merger, affiliation, spin-off, or sale.
- A Community Care Retirement Community makes the decision to discontinue offering continuing care contracts and only enter into month-to-month admission agreements.
- A Community Care Retirement Community elects to alter its program and offer month-to-month admission agreements in addition to continuing care contracts.
- A Community Care Retirement Community moves to another location or the provider/licensee sells or transfers a Continuing Care Retirement Community.
- A Community Care Retirement Community expands (or reduces) the community whether by converting existing buildings, by new construction or by the acquisition of separate property(ies).
- A Community Care Retirement Community is involved in a serious incident, violation, or complaint.
- An inquiry is made about the program, e.g., Continuing Care Contracts Branch staff will notify program field staff if they receive an inquiry regarding a Residential Care Facility for the Elderly, and vice versa.

**Licensing Program Analyst Protocol for the Evaluation of the Residential Living Unit of a Continuing Care Retirement Community****1. Using the Community Care Retirement Community Plan of Operation to Determine Appropriate Monitoring of Residential Living Unit Residents.**

The licensee is responsible for a Plan of Operation that includes how the Residential Living Unit resident will be monitored by facility staff. The plan should include, but not be limited to the following elements:

- A description of how the licensee will maintain a “general awareness” of the Residential Living Unit residents’ mental/physical health and safety status and the means for observing, communicating and documenting the resident changes that may occur.
- A description of how the licensee will monitor the Residential Living Unit residents and their living units. This may include the use of the Continuing Care Retirement Community caregivers as well as those not trained as caregivers who would have frequent and continuous contact such as dining or housekeeping staff. The Continuing Care Retirement Community plan of operation should identify the proposed training plan for all staff that are considered “monitors” of Residential Living Unit resident health and safety.

**3-0966 FACILITY EVALUATIONS/ANNUAL VISITS (Continued)****3-0966**

- A description of the process by which observed or otherwise known changes in resident conditions are communicated to responsible staff, such as employee supervisors, or designated staff should be included in the plan.
- A description of the assessment process and the protocol to be followed to ensure that the residents' needs continue to be met. The plan should identify medical, behavioral or cognitive indicators that could determine a need for further resident assessment or possible assisted living or skilled nursing care.
- A description of how the Continuing Care Retirement Community will ensure that the resident and/or responsible party, physician and appropriate Continuing Care Retirement Community staff are involved in the assessment and decision-making process.
- A description of how the Continuing Care Retirement Community will implement assessment activities with assurances that the personal rights of the resident are preserved.
- A description of the Continuing Care Retirement Community's policies and procedures relative to resident disputes or disagreements involving the assessment or care plan process.
- A description of how the Continuing Care Retirement Community will ensure overall resident health, safety and well-being, e.g., identification of injuries or incidents. It should be noted that Unusual Incident/Injury Reports must be submitted for residents of the Residential Care Facility for the Elderly and Independent Living Units. The method of monitoring could include a call-in service, motion detectors in the unit, a door flipper, observing presence at meals as well as other safety measures. Residents may not be allowed to opt out of this process. The method used must contain a means by which the facility staff checks on those residents whose well being has not been established by the provider's monitoring systems.

*Note: One characteristic of Continuing Care Retirement Communities is that the continuing care contract most often serves as the assisted living admission agreement. All continuing care contracts are reviewed by the Continuing Care Contracts Branch for content. The Licensing Program Analyst, however, should check for signatures just as they would for Residential Care Facility for the Elderly admission agreements.*

*Some Continuing Care Retirement Communities also enter into month-to-month admission agreements that are not continuing care contracts. The Licensing Program Analyst should identify residents that are not covered by a continuing care contract and review these admission agreements according to standard practices.*

**3-0966 FACILITY EVALUATIONS/ANNUAL VISITS (Continued)****3-0966**

*Upon completion of the facility inspection, the Licensing Program Analyst should contact the Continuing Care Contracts Branch if any contract/financial issues arise during the inspection. Information regarding serious complaints, including fiduciary concerns, should also be sent to the Continuing Care Contracts Branch analyst for their records.*

**2. Interviewing the Facility Administrator about Residential Living Unit Operations**

To evaluate the operations of the Residential Living Units of the Continuing Care Retirement Community, the Licensing Program Analyst may discuss the following areas of interest with the facility administrator.

- How does the licensee develop, update, and implement policies to ensure the independence, health and safety of residents in the Residential Living Units?
- How often are the Residential Living Unit residents reassessed for their ability to function independently?
- Is there a policy regarding the use of private duty aid companions? How are these individuals monitored per regulatory requirements?
- What is the estimated number of Residential Living Unit residents that use care or supervision attendants, paid or otherwise?
- Who conducts the assessments of Residential Living Unit residents?
- Do Residential Living Unit residents dine with Residential Care Facility for the Elderly residents?
- Are there procedures in place where residents check-in or check-out when they leave the community overnight? How are these procedures communicated to residents?
- What is the policy related to individual record-keeping for Residential Living Unit residents?
- Does the licensee have a policy regarding the possession or storage of firearms?  
(See Section 87309, Storage Space).
- Is there a pet policy at the facility?
- How many incident reports have been filed in the last 12 months that involved Residential Living Unit residents?
- Describe what an average day is for a Residential Living Unit resident?
- What type of safety alert features are present in the Residential Living Units?
- What is the licensee's medication policy relative to Residential Living Unit residents?
- How are Residential Living Unit residents' property, including cleaning agents and medications safeguarded from Residential Care Facility for the Elderly residents who may lack hazard awareness?
- What is the facility policy related to fingerprinting of staff?
- What is the facility policy related to the fingerprinting of private duty aids?



**3-0966 FACILITY EVALUATIONS/ANNUAL VISITS (Continued)****3-0966**

*Note: As applicable, it is important to compare the verbal response of the administrator with the written statements contained in the facility's Plan of Operation.*

**3. Inspecting Continuing Care Retirement Community Residential Living Units**

In conducting licensing inspections of Continuing Care Retirement Communities, the Licensing Program Analyst should be familiar with those features that differentiate them from other facilities licensed as Residential Care Facilities for the Elderly.

Residents occupying Residential Living Units are generally self sufficient individuals who do not need care and supervision. For example, they may prepare their own meals, control their own medications, drive their own cars, and go on extended vacations.

When inspecting a Continuing Care Retirement Community, the Licensing Program Analyst should recognize residents may not need assistance with activities of daily living or require care and supervision as Residential Living Unit residents. The Licensing Program Analyst should exercise good professional judgment and personal sensitivity toward those occupants of the Residential Living Units.

Most Continuing Care Retirement Community residents are happy to show their home. If a resident offers, the Licensing Program Analyst's approach should favor that of a casual tour rather than an inspection. (However, if any physical plant deficiencies are noted, they should be brought to the attention of the administrator after the visit with the resident is completed.)

Residential Living Unit residents may choose to prepare their own meals utilizing stoves and kitchen knives. They may provide their own toothpaste, soaps, cleaning solutions, linens and furniture. They may store and administer their own medications, disinfectants, pest or garden poisons and possess firearms. These items should not pose a danger provided the residents are competent to manage these items. As long as the licensee has properly assessed the residents' ability to function independently in such areas, the licensee should not be cited.

In addition, when there are two related residents in a Residential Living Unit, the provider may allow one of those residents to assist the other. For example, a wife may assist or administer medications to her husband. In these cases, the Licensing Program Analyst should ascertain:

- (a) that the licensee has identified and documented the services one resident may be providing to the other; (b) that the licensee monitors whether the tending resident is administering proper care/services; and (c) that the licensee regularly assesses the tending resident's ability to provide proper care and services.

**3-0966 FACILITY EVALUATIONS/ANNUAL VISITS (Continued)****3-0966****4. Interviewing the Residential Living Resident**

The Licensing Program Analyst should conduct brief visits with three to five residents occupying Residential Living Units (include at least one resident who has been identified by the facility as “in transition” from an Residential Living Unit to an assisted living unit or alternatively, continuing in the Residential Living Unit with additional supports). The Licensing Program Analyst can determine which residents to interview by speaking with the administrator. The Licensing Program Analyst may also ask for a Residential Living Unit resident’s records.

When preparing to interview Residential Living Unit residents, the Licensing Program Analyst should be aware that residents may perceive the visit as an intrusion into their privacy. If the resident objects or discourages entry, the Licensing Program Analyst should respect their position and select alternate residents to visit.

The purpose of the visit is to determine whether the resident has been properly assessed in their ability to independently meet his/her individual health and safety needs. To this end, Licensing Program Analysts may choose to use the following questions as a guide for interviewing residents:

- How did you happen to select a Continuing Care Retirement Community?
- Does the community generally meet your living requirements?
- Have you experienced any difficulty in obtaining the services you need, (e.g., meeting nutritional needs, obtaining assistance with basic services)?
- How do you arrange for assistance in your unit when dealing with health problems?
- How often do you have contact with staff at the community (e.g., the administrator, social worker, nurse, etc.)?
- Are you familiar with the facility’s policy and procedures regarding check-in, check-out procedures, the use of private duty aids, (if there is one), etc.?
- What is a normal day like for you?
- Are you aware of other resources available to you such as the Ombudsman?

**5. Consultations/Citations**

If a Licensing Program Analyst has any concerns regarding the facility’s assessment of the resident or the resident’s ability to remain in his/her Residential Living Unit, the Licensing Program Analyst should immediately bring these concerns to the attention of the administrator or designee.

**3-0966 FACILITY EVALUATIONS/ANNUAL VISITS (Continued)****3-0966**

If after interviews, observation, record reviews, etc., a Licensing Program Analyst determines that the licensee has not taken appropriate steps to ensure the health and safety of a Residential Living Unit resident's abilities and a regulation, that has not been waived, has been violated, the Licensing Program Analyst may cite according to the appropriate regulation and process.

For example, if an Licensing Program Analyst observes a firearm sitting on the coffee table in an Residential Living Unit resident's living room, the below regulation would apply and the licensee would be cited.

**87309 Storage Space**

- (a) Disinfectants, cleaning solutions, poisons, firearms and other items which could pose a danger if readily available to clients shall be stored where inaccessible to clients.

If the Licensing Program Analyst has any unresolved issues related to a facility inspection or complaint, these issues shall be brought to the attention of the Licensing Program Manager.

**3-0967 COMPLAINTS, NON-COMPLIANCE AND ADVERSE ACTIONS****3-0967**

If a complaint is received regarding a Continuing Care Retirement Community, the Regional Office will investigate with the same level of scrutiny as other residential care facilities for the elderly. A copy of the LIC 9099 will be sent to the Continuing Care Contract Branch by the Regional Office when completed.

Whenever a Continuing Care Retirement Community facility is considered non-compliant or an adverse action is contemplated against a Continuing Care Retirement Community, the Regional Office shall immediately notify the Continuing Care Contract Branch as it may be necessary to condition, restrict or revoke the Certificate of Authority.

If you suspect a residential care facility for the elderly is entering into continuing care contracts with residents without a Certificate of Authority, notify the Continuing Care Contract Branch immediately. Each violation for entering into illegal continuing care contracts is subject to a fine not to exceed \$10,000 or by imprisonment in the county jail for a period not to exceed one year, or both the fine and imprisonment.

**3-0968 PROCESSING CONTINUING CARE RETIREMENT****3-0968****COMMUNITIES EXPANSIONS OFF OF THE LICENSED PROPERTY**

At times, a Continuing Care Retirement Community chooses to acquire property for business purposes that is separate from the initial Residential Care Facilities for the Elderly licensed property. For example, a Continuing Care Retirement Community may acquire a property across the street or next door. There is no statutory prohibition to adding these separate properties to the existing Residential Care Facility for the Elderly license. The Community Care Licensing Division policy is to allow this separate property to be added to the existing Residential Care Facility for the Elderly license. However, the property can only be added to the existing Residential Care Facility for the Elderly license if all services can still be reasonably provided at the new property. This determination is made by the Regional Office and Continuing Care Contracts Branch. In cases where the Continuing Care Retirement Community wishes to add property/ies to the existing Residential Care Facility for the Elderly license, the following steps are required of the Licensing Program Analyst:

- Immediately contact the Continuing Care Contracts Branch to alert them of the address(es) of the expansion property;
- Require the submission of the LIC 200, a Facility Sketch, the Emergency and Disaster Plan, evidence of control of property, Staffing and Administration Plan and Schedule, and plan for ensuring the delivery of all required services;
- A fee is not required unless the additional property capacity increases the licensed capacity of the initial Residential Care Facility for the Elderly. In cases where it does, the fee is the normal increase in capacity fee;
- Request the Fire Clearance. Complete the STD 850 as a standalone fire clearance request (include only the capacity of the actual property) but add a comment that the property is part of the existing Residential Care Facility for the Elderly property and include that address as a cross reference;
- Require that the Continuing Care Retirement Community submit a letter from the applicable local authority (City or County) that affirms that the expansion is allowed under applicable local zoning ordinances (and, if appropriate, the terms of the applicant's existing Conditional Use Permit). The expansion will not be approved without this affirmation;
- Provide the Continuing Care Contracts Branch with a copy of the plan for ensuring the delivery of required services and a copy of the local authority permission. Request Continuing Care Contracts Branch written approval for the expansion. This written approval is required and must be maintained in the facility file. If the Continuing Care Contracts Branch denies the request to add property to the initial license, Community Care Licensing Division must inform the applicant that the request is denied and offer them the alternative to seek separate licensure of the property;
- Complete a pre-license inspection as usual;

**3-0968 PROCESSING CONTINUING CARE RETIREMENT COMMUNITIES EXPANSIONS OFF OF THE LICENSED PROPERTY****3-0968****(Continued)**

- Upon receipt of all required approvals and clearances, add the new property address and effective date to the comment line of the existing Residential Care Facility for the Elderly license, print and mail the new license to the licensee and send a copy to the Continuing Care Contracts Branch. If there is no room left in the comments field, send out a letter on Community Care Licensing Division letterhead that affirms that the property was added to the initial Residential Care Facilities for the Elderly license and on what date; and
- Keep all documents in the original Residential Care Facilities for the Elderly facility file.